

BEFORE  
THE PUBLIC SERVICE COMMISSION OF  
SOUTH CAROLINA  
DOCKET NO. 97-441-C – ORDER NO. 98-105  
FEBRUARY 12, 1998

IN RE Application of Go-Tel, Inc. for a Certificate of Public Convenience and Necessity to Provide Local Exchange Telecommunications Services within the State of South Carolina.	) ORDER ) APPROVING ) CERTIFICATE ) TO PROVIDE ) LOCAL SERVICE
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This matter comes before the Public Service Commission of South Carolina (“the Commission”) by way of the application of Go-Tel, Inc. (Go-Tel” or “the Company”). The Application requests that the Commission grant a Certificate of Public Convenience and Necessity to allow Go-Tel to provide local exchange service in the State of South Carolina in the region served by BellSouth Telecommunications, Inc. (“BellSouth”). The Application was filed pursuant to S.C. Code Ann. §58-9-280 (Supp. 1997), and the Regulations of the Commission.

By letter dated November 7, 1997, the Commission’s Executive Director instructed Go-Tel to publish, one time, a prepared Notice of Filing and Hearing in newspapers of general circulation in the areas affected by the Application. The purpose of the Notice of Filing and Hearing was to inform interested parties of the manner and time in which to file the appropriate pleadings for participation in the proceedings and to provide notice of the hearing date on this matter. Go-Tel complied with this instruction and provided the Commission with proof of publication of the Notice of Filing and

Hearing. A Petition to Intervene was received from the South Carolina Telephone Coalition ("SCTC").

A hearing was convened on February 5, 1998, at 2:30 p.m. in the Commission's Hearing Room. The Honorable Guy Butler, Chairman, presided. Go-Tel was not represented by counsel. The Commission Staff ("Staff") was represented by Florence P. Belser, Staff Counsel. The SCTC did not appear at the hearing.

In support of its Application, Go-Tel presented Bob D. Crenshaw, President of Go-Tel, Inc. to testify. The purpose of Mr. Crenshaw's testimony was to explain the local exchange services Go-Tel proposes to offer in South Carolina and to review Go-Tel's qualifications to provide such services. According to Mr. Crenshaw, Go-Tel's services will be marketed on a pre-paid basis to a segment of the consumer market that traditionally has little or no access to conventional credit sources and for whom it is inefficient for the large integrated carriers to offer closely monitored service.. Go-Tel plans to provide basic exchange service, including but not limited to basic line service, and associated features, functions, services, and options, and local calling services, through the resale of any and all services available for resale in South Carolina. Customers of Go-Tel will be blocked from having long distance or ancillary services billed to their Go-Tel account but will have the ability to access long distance services through 800 numbers using prepaid or calling cards.

### **DISCUSSION**

S.C. Code Ann. §58-9-280 (Supp. 1997) provides that the Commission may grant a certificate to operate as a telephone utility ... to applicants proposing to furnish local telephone service in the service territory of an incumbent LEC.

After full consideration of the applicable law, Go-Tel's Application, and the evidence presented at the hearing, the Commission finds and concludes that the Certificate sought by Go-Tel should be granted. The Commission's determination is based on the following criteria as provided in S.C. Code Ann. §58-9-280 (Supp. 1997) and the evidence presented at the hearing which relates to that criteria:

(1) The Commission finds that Go-Tel possesses the technical, financial, and managerial resources sufficient to provide the services requested. S.C. Code Ann. §58-9-280(B)(1) (Supp. 1996). According to Mr. Crenshaw, the management of Go-Tel has extensive experience in the telecommunications industry providing interactive voice response systems, management software, accounting systems, and overall support to a wide variety of companies including a major long distance carrier. Mr. Crenshaw offered that the success of past ventures with which Go-Tel's management has been involved is evidence that Go-Tel possesses the managerial qualifications to provide local service in South Carolina.

With regard to technical qualifications, Mr. Crenshaw stated that Go-Tel is currently offering competitive local exchange services in Texas and Tennessee and has received approval from Kansas and Montana. Mr. Crenshaw also testified that Go-Tel's local traffic will be routed entirely over the networks of the underlying local carriers and that the quality of Go-Tel's service will be at least equivalent to that provided by the incumbent LECs. Additionally, Mr. Crenshaw stated that Go-Tel possesses the necessary technical capabilities to provide excellent service to its end-users through its extensive combined use of a specially designed software program and interactive voice response program.

Mr. Crenshaw also stated that Go-Tel has more than adequate financial resources to provide the services for which Go-Tel seeks authority. Mr. Crenshaw stated that Go-Tel will rely upon its own financial resources, primarily cash equity. Further, he offered that Go-Tel will strictly monitor expenses and institute effective cost controls.

No other party offered any evidence in opposition to Mr. Crenshaw's testimony. Based on the undisputed evidence of the record, the Commission finds that Go-Tel possesses the technical, financial, and managerial resources sufficient to provide the services requested.

(2) The Commission finds that Go-Tel will provide services that will meet the service standards of the Commission. S.C. Code Ann. §58-9-280(B)(2) (Supp. 1997). Mr. Crenshaw testified that Go-Tel seeks to provide competitive local services. Mr. Crenshaw specifically stated that Go-Tel will comply with all applicable rules, policies, and statutes applicable to the offering of those services and that Go-Tel fully intends to

meet the Commission's service standards. Mr. Crenshaw also stated that Go-Tel would make certain changes to its tariff, as suggested by the Commission Staff, in order to bring certain portions of the tariff into compliance with Commission Rules and Regulations. No party offered any evidence to dispute Mr. Crenshaw's testimony. Based on the undisputed testimony from Mr. Crenshaw, the Commission believes, and so finds, that Go-Tel will provide telecommunications services which will meet the service standards of the Commission.

(3) The Commission finds that Go-Tel's "provision of service will not adversely impact the availability of affordable local exchange service." S.C. Code Ann. §58-9-280(B)(3) (Supp. 1997). Mr. Crenshaw stated that Go-Tel's service offerings would not adversely impact the availability of affordable local exchange service. In addition, Mr. Crenshaw offered that approval of Go-Tel's application would further the public interest by providing efficient pricing, improved service quality, and expanded product and service capabilities. No party offered any evidence that the provision of local exchange service by Go-Tel would adversely affect the availability of affordable local exchange service. Therefore, based on the undisputed evidence of record, the Commission finds that provision of local exchange services by Go-Tel will not adversely impact affordable local exchange service.

(4) The Commission finds that Go-Tel will support universally available telephone service at affordable rates. S.C. Code Ann. §58-9-280(B)(4) (Supp. 1997). Mr. Crenshaw testified that Go-Tel will comply with the Commission's universal service requirements. No party disputed Mr. Crenshaw's testimony. Based on the undisputed

evidence of record, the Commission finds that Go-Tel will participate in support of universally available telephone service at affordable rates.

(5) The Commission finds that the provision of local exchange service by Go-Tel “does not otherwise adversely impact the public interest.” S.C. Code Ann. §58-9-280(B)(5) (Supp. 1997). Mr. Crenshaw offered that Go-Tel’s entry into the local service market will foster competition. Mr. Crenshaw also offered that the introduction of competition results in a reduction of prices consumers pay and that consumers benefit by way of efficient pricing, improved service quality, and expanded product and service capabilities. Mr. Crenshaw’s testimony was undisputed as no party offered any evidence that approval of Go-Tel’s Application would adversely impact the public interest. Therefore, the Commission finds that approval of Go-Tel’s Application for a Certificate to provide local exchange service “does not otherwise adversely impact the public interest.” S.C. Code Ann. §58-9-280(B)(5) (Supp. 1997).

Therefore, based on the findings above, the Commission finds and concludes that the Certificate sought by Go-Tel should be granted.

By its Application and presentation at the hearing, Go-Tel requested several waivers of Commission Rules and Regulations. First, Go-Tel requested that it be exempt from any record-keeping rules that might require it to maintain its financial records in conformance with the Uniform System of Accounts. Go-Tel offered that it maintained its book of accounts in accordance with Generally Accepted Accounting Principals (“GAAP”). Go-Tel asserts that the Commission will have a reliable means to evaluate Go-Tel’s operations under GAAP.

Second, Go-Tel requests that it not be required to publish local exchange directories. Go-Tel offered that it will make arrangements with the incumbent LECs to publish the names and numbers of the Go-Tel customers.

Third, Go-Tel requests waivers of any reporting requirements which are not applicable to competitive providers such as Go-Tel. Go-Tel asserts that such reporting requirements are not consistent with the competitive market and that these requirements constitute an undue burden on a competitive provider.

Finally, Go-Tel requests a waiver of the notice requirement contained in 26 S.C. Code Ann. Regs. 103-633 (Supp. 1997) which requires that a customer be given five days written notice to make settlement of his account or have his service terminated. Reg. 103-633 also provides that “service will only be terminated on Monday through Thursday between the hours of 8:00 A.M. and 4:00 P.M., unless provisions have been made to have someone available to accept payment and reconnect service.” In support of its request for waiver, Go-Tel offers that it notifies the customer on the bill that if payment is not received within 5 days of the due date that service will be disconnected. Go-Tel requests that the notification on the bill suffice for the 5 day written notification required by Reg. 103-633.

Upon consideration of Go-Tel’s requests for waivers of certain Commission Rules and Regulations, the Commission has determined that Go-Tel’s requests for waivers of the requirement to maintain its books and records using the Uniform System of Accounts and the requirement to publish directories should be granted. Pursuant to this waiver, Go-Tel is authorized to maintain its books and records using GAAP and is authorized to

make arrangements with incumbent LECs to include the names of Go-Tel's customers in the incumbent LECs' directories.

With regard to Go-Tel's request for waiver of reporting requirements not applicable to competitive providers such as Go-Tel, the Commission grants a waiver of reporting requirements not applicable to a resale local provider.

With regard to the request for waiver of the 5 day written notification before disconnection of a customer, the Commission denies Go-Tel's request. The Commission believes that customer notification prior to disconnect is an important requirement that should not be waived. Further, the Commission holds that the notification provided in the bill is not sufficient to meet the requirements of R.103-633. Therefore, Go-Tel is instructed that it must comply with the requirements of Reg. 103-633 regarding "Procedures for Termination of Service."

IT IS THEREFORE ORDERED THAT:

1. The Application of Go-Tel for a Certificate of Public Convenience and Necessity to provide local exchange service throughout those areas of South Carolina in which BellSouth is the incumbent local exchange carrier is hereby approved.
2. Go-Tel shall file, prior to offering local exchange services in South Carolina, a final tariff of its service offerings. The final tariff shall include the modifications and changes as proposed by the Commission Staff and to which Go-Tel agreed.
3. Go-Tel shall, in compliance with Commission regulations, designate and maintain an authorized utility representative who is prepared to discuss, on a regulatory



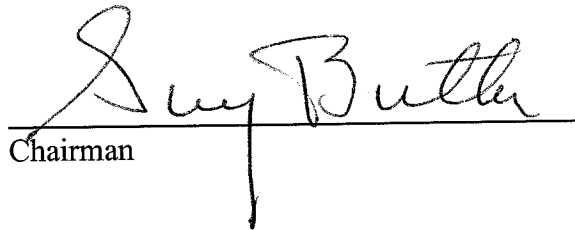
level, customer relations (complaint) matters, engineering operations, and tests and repairs. In addition, Go-Tel shall provide to the Commission in writing the name of the authorized representative to be contacted in connection with general management duties as well as emergencies which occur during non-office hours. Go-Tel shall file with the Commission the names, addresses, and telephone numbers of these representatives within thirty (30) days of receipt of this Order. (Attachment A shall be utilized for the provision of this information to the Commission.) Further, Go-Tel shall promptly notify the Commission in writing if the representatives are replaced.

4. Go-Tel shall conduct its business in accordance with Commission decisions and Orders, both past and future, including, but not limited to, any and all Commission decisions which may be rendered in Docket No. 96-018-C regarding local competition. Further, Go-Tel shall conduct its business and operations in accordance with all applicable statutes and Commission Rules and Regulations, unless specifically waived by the Commission.

5. Go-Tel is granted waivers (1) from using the Uniform System of Accounts in keeping its books and records, (2) from publishing directories, and (3) from certain reporting requirements not applicable to a resale local provider.

6. This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:

  
Chairman

ATTEST:

  
Deputy Executive Director

(SEAL)

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FEBRUARY 12, 1998  
ATTACHMENT A

**INFORMATION OF THE AUTHORIZED UTILITY  
REPRESENTATIVES FOR INTEREXCHANGE, LOCAL  
AND AOS COMPANIES**

PURSUANT TO SOUTH CAROLINA PUBLIC SERVICE COMMISSION  
REGULATION 103-612.2.4(b), each utility shall file and maintain with the Commission  
the name, title, address, and telephone number of the persons who should be contacted in  
connection with Customer Relations/Complaints.

\_\_\_\_\_  
Company Name/DBA Name

\_\_\_\_\_  
Business Address

\_\_\_\_\_  
City, State, Zip Code

\_\_\_\_\_  
Authorized Utility Representative (Please Print or Type)

\_\_\_\_\_  
Telephone Number

\_\_\_\_\_  
Fax Number

\_\_\_\_\_  
E-Mail Address

\_\_\_\_\_  
This form was completed by

\_\_\_\_\_  
Signature

If you have any questions, contact the Consumer Services  
Department at 803-737-5230